10 October 1967

MEMORANDUM FOR THE DIRECTOR

Subject: Hardy Hearing

- 1. A memo on who started the Korean War" (copy attached) and a complete, corrected copy of the prepared briefing text have been turned over to Office STATINTLof Legislative Counsel OER memo on military shipments to Cambodia is to be ready for delivery overnight.
 - 2. In the transcript, substantive questions in the ad lib sections have been reviewed by DDI and by me, and checked out where necessary with analysts.
 - a) Comparative Japanese trade with Communist China and U.S., Page 735 line 24 to Page 736, line 4: we are supplying as an insert to the record a statement on Japanese trade with these countries specifically, rather than "Communist countries" and "North America."
 - b) Burma Road and Vinegar Joe, p.760,4-12: similar insert for the record.
 - c) I suggested and DDI agreed you might wish to moderate statement on importance of Malaysian troops, p. 761 lines 4 to 6, as they have just about the smallest (28,400) army in the area, and Australia and New Zealand are quite concerned about vacuum when British are pulled out. Suggested insert for record.
 - 3. Statements which you indicated you wanted to review yourself are paperclipped: Page 678, lines 1-14; Page 680, lines 11-25; Page 687, line 10 to 688, line 20; Page 734, line 21 to Page 735, line 3; Page 737, lines 4-9; and Page 764, lines 6-17.
 - 4. With regard to Page 680, DDI China hands helieve use of ChiNat troops in Vietnam would create major problems, including provocation to Chicoms. DDI agrees you might make this portion a flat statement along lines: "I am not the person to answer that question for you... State has a very strong feeling that commitment of Nationalist Chinese forces in South Vietnam would be a poor thing to do politically. The ChiNats do have excellent armed forces."

Insert in Mr. Helms' testimony following Rep. Stratton's questions on the Burma Road and General Stillwell.

Mr. Helms: Originally the Burma Road began at Lashio, where it was fed by railroad from Rangoon, and ran from Lashio across the Chinese border at Want'ing, through Paoshan and Tali to Kunming. The Japanese pushed General Stillwell and his Chinese troops across Burma back into India. When the road was reopened, the Japanese still had it cut off from southern Burma and Rangoon, so we had to build a new feeder, which came to be known as the Ledo Trace or Stillwell Road. It ran from Ledo in Assam down to Myitkyina and then south along the Burmese border to hit the original Burma Road near Want'ing.

- Insert in Mr. Helms' testimony with reference to Malaysian troops.
- Mr. Helms: Until now, Malaysia since its independence has been able to count on Commonwealth forces—
 Australian and New Zealand, but principally British—
 in times of need, such as the confrontation with the Indonesians. The Malaysians themselves have just about the smallest armed forces in the area—
 about 28,400 in the army, for instance—and the Australians and New Zealanders are quite concerned about the need for strengthening Malaysia as the British forces are withdrawn.

Insert in Mr. Helm' testimony regarding Japanese trade with Communist China and the United States.

Mr. Helms: In the last complete trade year--1966-only three percent of Japan's total trade was
with the Chinese Communists, as compared to 29
percent with the United States. From China's
point of view, however, trade with Japan is
much more significant, amounting to 15 percent
of Communist China's total foreign trade. Japan,
in fact, replaced the Soviet Union as China's
principal trading partner in 1966.

NOTE DDI:

a)

1. Herewith copy of Hardy transcript. DCI specifically asked that you and I go over it personally to make sure that he was answering correctly in his ad lib sections -- as far as substantive content is concerned -- after which he will also review to determine how he wants to be recorded on policy questions.

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notes that Subcommittee staff would not care to have it known around Community that we got our hands on text to review it, prefer that transcript not be shown to anybody but DCI --- hence limit those we have to consult or call in.

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for his part goes to major lengths to conceal from committee that we have m made a copy.

STATINTL

- Reporter left out 15 pages of text on Chicom armed will have re-inserted. forces which
- 3. I have been over transcript and checked it out against briefing text, leaving following ad lib and Q&A sections: (paperclipped at start) AA. 673 line 1 to 695/23
 - *A. p.696 line 25 to 698/24 *B. p.702 linw 20 to 706/6

 - *C. p.711 line 16 to 712/8
 - p.719 line 1 to 720/4
 - p.724 line 19 to 731/7 *E.
 - p.734 line 3 to 744/22
 - p.748 line 12 to 757/3 G.
 - p.759 line 4 to end of transcript.
- In those marked above with an asterisk, I suggest there is nothing we need to check out. On remainder, my suggestions are attached.

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AA. Page 673, line 1 to page 695, line 23.

DCI will probably want to consider wording of p. 678, lines 1-14. P. 680, starting at line 11, DCI might wish to reduce this to flat statement along lines: I am not the person to answer that question for you....State Department has a very strong feeling that commitment of Nationalist Chinese forces in South Vietnamw would be a poor thing to do politically. The Chinese Nationalists do have excellent armed forces." P. 688, lines 4-13, another section for DCI's review.

F. Page 734, line 3 to page 744, line 22.

DCI will want to review refs to U.S. diplomatic policy, 734, lines 21, to 735 line 3, and p.737, lines 4-9.

Capanese trade figures, bottom of p. 735 and top of 736, were pulled from Basic Fact Book; OER might wish to make answer more precise and more responsive (e.g., Japanese trade with U.S. and with Communist China, rather than with "North America" and "Communist Countries." I thought myself Japn share of ChiCom trade was considerably more significant, approaching it from ChiCom rather than from Japn percentage, but didn't have it readily avbl.)

I don't believe our Japanese analysts would differ with DCI's answers on Japanese attitudes 741/14 to 744/22.

G. Page 748 line 12 to page 757 line 3.

I can't wouch for answer p. 749 line 25 that all military aid to North Korea comes from Soviets.

G. Page 759, line 4 to end.

Page 760, lines 4 to 12: which way did the Burmera Road go, and which way did Vinegar Joe go?

Page 761, lines 4 to 6: It might be advisable to moderate ref to importance of Malaysian troops inasmuch as OBI Factbook credits them with army of only 28,400, one of smallest in area, and they are quite dependent on Commonwealth (Aust. &NZ) backing.

Page 764, lines 6-17, DCI again referring to Agency's non-role in policy.

cbc

SECRET

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The USSR, Communist China, and the Origins of the Korean War

All available evidence points to the conclusion that the Soviet Union planned and directed the North Korean invasion of South Korea in June 1950. The North Korean regime was a purely Soviet creation and a full-fledged Soviet satellite. Its armed forces were organized, trained, and equipped entirely by the USDR. Soviet control was assured by the presence of Soviet advisers at all levels of the North Korean army and government. Many key North Korean party and government officials, moreover, had been Soviet citizens or served in the Soviet army during world war II. Purges and demotions between 1945 and 1950 had eliminated those Koreans who had returned from China or were oriented toward the Chinese Communist Party.

Stalin's decision to launch the Korean venture appears to have been prompted, on the one hand, by his paranoiac suspicion that the US intended to restore

Japan as a strong military power in northeast Asia and, on the other, by his confidence that the North Koreans could score a quick victory without provoking American intervention.

By late 1949, the US had made to clear its readiness to by-pass Soviet obstructionist tactics and conclude a separate peace treaty with Japan. Stalin, therefore, was determined to slam the door against what he viewed as an emerging US-Japanese anti-Soviet alliance by seizing the entire Korean Peninsular—the historic Japanese gateway to the Asian mainland. In early 1950, Soviet propaganda was filled with allegations that the US planned to "revive Japanese militarism and imperialism."

ROK forces were markedly inferior to those of the North in manpower, equipment, and training. North Korean espionage, military probes, and subversion had further reduced South Korean effectiveness. American forces had been withdrawn from Approved For Release 2001/03/04: CIA-RDP79T00827A001000060002-9

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South Korea in mid-1949 and the Soviet strategists undoubtedly discounted the possibility of a US military response. Stalin's confidence in an easy victory had been strengthened by public statements by American leaders in 1949 and early left outside the US "defense perimeter" in the Pacific.

The Chinese Communists almost certainly had advance knowledge of the North Korean attack. Both the details of this plan and the broader question of the threat of a resurgent Japan probably were discussed by Mao and Stalin during the Chinese leader's ten-week visit to Moscow in early 1950. The Chinese evidently shared Soviet concern over the prospect of a close alliance between the US and a rearmed Japan. Poking echoed Moscow's attacks against the US "plot" to revive Japanese militarism. The Sino-Soviet Treaty of Alliance, the signed in February 1950 was specifically directed against "the revival of Japanese imperialism and the resumption of aggression on the part of Japan or any other state that may collaborate in any way with Japan in acts of aggression."

In addition to similar propaganda lines, evidence of Chinese knowledge and approval of the Soviet plan for a swift North Korean strike against the South included the return to North Korea in February 1950 of Koreans who had served in the Chinese Communist army—at a time when the North Korean forces were beginning the transition to a war footing. It is highly unlikely, however, that the Chinese leaders foresaw serious risks of becoming involved in the war. They apparently shared Stalin's judgment that the US would have no choice but to acquiesce in a quick and decisive North Korean victory.

The Chinese were anxious to deny Korea to American and Japanese power, for they regarded the peninsula as a forward shield protecting their vital industrial centers in Manchuria and the political center of North China. In the spring of 1950, however, the Chinese Communist leaders were preoccupied primarily with plans for the conquest of Taiwan and Tibet and the consolidation of their power Approved For Release 2001/03/04: CIA-RDP79T00827A0010000600002-9

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in southern and central China--areas in which anti-Communist guerrillas were still active. The Chinese, therefore, hoped that a swift North Korean victory and a demonstration of American inaction would hasten the collapse of Chinese Mationalist morale and resistance, thus opening the way for the early "liberation" of Taiwan.

Amen the unexpected American military intervention shattered the Communists' calculations and confronted them with the imminent destruction of the North Korean regime, a Soviet diktat was not needed to bring the Chinese into the war. Peking's decision to intervene was based on the Chinese leaders' own view of the threat to their security posed by the presence of a powerful enemy on China's doorstep. The Chinese, of course, exploited the emergency to extract large-scale military assistance from the Soviet Union, but the decision to appears to have been basically a Chinese decision.